



YORK CATHOLIC DISTRICT SCHOOL BOARD

Audit Committee Agenda

Public Session

Tuesday, June 21, 2022
5:00 p.m. – 6:00 p.m.

Boardroom, Catholic Education Centre

Watch the Audit Committee Meeting STREAM
event on our YCDSB TV Channel:

<http://bit.ly/YCDSB-TV>

*We are gathered on the ancestral lands and waters of all Indigenous Peoples, who have left their footprints on Mother Earth before us.
We respectfully acknowledge those who have walked on it, those who walk on it now, and future generations who have yet to walk upon it.
We pray to the Creator for strength and wisdom that all may continue to serve as stewards of the Earth.*

Page(s)

Prayer for Gratitude in Every Day Living

Father in Heaven,
Thank You for all the
graces and blessings
You have bestowed upon
us, spiritual and temporal,
our faith and religious
heritage.
Our food and shelter, our
health, the love we have
for one another.
Please grant us continued
graces and blessing as we
go upon our day.

Amen

- | | | | |
|-----|---|-------------------|-------|
| 1. | Call to Order and Prayer | Trustee lafrate | |
| 2. | Land Acknowledgement | C. McNeil | |
| 3. | Roll Call | C. McNeil | |
| 4. | Approval of Agenda | Trustee lafrate | |
| 5. | Approval of the Minutes – April 26, 2022 | Trustee lafrate | 2-4 |
| 6. | Declaration of Conflict of Interest | Trustee lafrate | |
| 7. | Business Arising from the Minutes of the Previous Meeting:
Nil | | |
| | <u>Action Item(s):</u>
Nil | | |
| | <u>Presentations Items:</u> | | |
| 8. | School Day Update | J. Tsai/C. McNeil | 5-12 |
| | <u>Discussion/Information Item(s):</u> | | |
| 9. | Regional Internal Audit Manager (RIAM) Update | P. Hatt | 13-14 |
| 10. | August 31, 2020 Year-End Audit Timelines | C. McNeil | 15-16 |
| | <u>Future Items:</u> | | |
| 11. | Next Meeting Date: September 27, 2022 | | |
| | <u>Adjournment</u> | | |

York Catholic District School Board

MINUTES AUDIT COMMITTEE (Regular Session)

A Regular session of the Audit Committee was held virtually via Google Meets, on Tuesday, April 26, 2022, commencing at 5:00 p.m.

PRESENT:

Committee Members:	R. Cantisano*, C. Cotton*, M. Iafrate*
Other Trustees:	E. Crowe, T. McNicol*, J. Wigston
External Committee Members:	A. Rocha*, M. Petrilli*
Administration:	D. Scuglia, E. Pivato, C. McNeil, J. Tsai*, G. Monaco*,
RIAT Team:	P. Hatt, Senior Manager, Regional Internal Audit *
Other Guest(s):	D. Budd, Partner, Orbis Risk Consulting*
Absent with Notice:	
Recording:	K. Errett
Presiding:	M. Iafrate, Committee Chair

*[*denotes attendance via Google Meets]*

1. CALL TO ORDER, PRAYER AND LAND ACKNOWLEDGEMENT

Trustee Iafrate, Committee Chair, called the meeting to order and led the opening prayer. C. McNeil, CFO and Treasurer, read the York Catholic District School Board Land Acknowledgement and provided roll call.

C. McNeil introduced the new External Volunteer Community Audit Committee member, Mr. Mike Petrilli, CPA, who brings to the Committee expertise in the area of business planning, financial reporting and internal controls. Mr. Petrilli was welcomed to the Committee.

2. APPROVAL OF NEW MATERIAL: Nil

3. APPROVAL OF THE AGENDA

Motion: Cotton/Cantisano

THAT the Agenda be approved as presented.

– MOTION CARRIED –

4. APPROVAL OF THE MINUTES:

Motion: Cotton/Cantisano

THAT the Minutes of the December 6, 2021 Audit Committee meeting be approved as presented.

– MOTION CARRIED –

5. DECLARATION OF CONFLICT OF INTEREST: Nil

6. BUSINESS ARISING FROM THE MINUTES OF THE PREVIOUS MEETING: Nil

7. NEXT MEETING DATE: June 21, 2022

8. ACTION ITEMS: Nil**9. PRESENTATION ITEMS:****a) Regional Internal Audit Team Records Management Audit**

P. Hatt, Regional Internal Audit Senior Manager, provided the objective and a brief background on the Records Management Consulting engagement which was the final report of the 2018-2019 RIAT Audit Plan.

D. Budd, Engagement Partner, Orbis Risk Consulting, presented the *Records Management Final Report* and reviewed the findings, explained the nine recommendations including roadmap, proposed implementation schedule, work plan and checklist for the Records Management Engagement. D. Budd responded to questions from the Committee.

It was requested that an update be provided in 12-months once the short and mid-term goals have been met and then again after another 12 months to review the status of the long-term goals, and at which time a discussion will be held to decide whether to increase the level of maturity/development from Level 3 (current target) to Level 4 or 5. It was suggested that these recommendations be taken into consideration when moving forward with development of the RFP for the Cybersecurity engagement. P. Hatt stated that a follow-up review and update to the Audit Committee would be scheduled within the aforementioned timeline to ensure the recommendations have been addressed.

10. DISCUSSION/INFORMATION ITEM(S):**a) Regional Internal Audit Manager (RIAM) Update**

P. Hatt, Regional Internal Audit Senior Manager, provided a status update on the planned engagements included on the 2018-19 to 2021-22 Audit Plans including Records Management (2018-19) which, completed as at today, April 26, 2022, finalizes the 2018-19 Audit Plan, Workflow Assessment; Plant and Finance (2020-21) (deferred to 2021-22 in lieu of school audits), IT Security Audit (2020-21), Disaster Recovery and Business Continuity (2021-22) and Privacy Audit (2021-22).

As agreed, the Privacy Audit will be deferred to the 2022-2024 RIAT Audit Plan to allow time to implement the recommendations from the Records Management engagement which impact Privacy.

M. Petrilli, Audit Committee External Community Member, initiated discussion regarding achieving more of a progressive end-state position (i.e. Levels 4 or 5) and benchmarking with similar organizations.

It was also agreed by the Committee that no replacement audit be scheduled as the recent, second-round of school audits was additional to the Audit Plan. However, it was requested that the IT Security Audit be underway as soon as possible. It was requested further that the scope of the Disaster Recovery and Business Continuity Audit include an operational perspective.

b) School Finance Audits Summary Report

C. McNeil, CFO and Treasurer of the Board, provided the *School Finance Audits Summary Report*, as requested by Trustees, to outline the key observations gained through the school audits and recommendations for changes to operational practices and/or training plans that will contribute to continual improvements in the financial management in the schools.

It was commented that the implementation of School Day and upgrading the training material is a focus at this time due to the expectation that it will address a great number of the audit report findings and mitigate the risk of fraud.

It was requested that an outline be provided on future school finance monitoring, risk level assignment of particular issues, targeted testing for key areas of concern and reporting frequency.

FUTURE ITEM(S): Nil

Adjournment: 6:00 P.M.

On Motion: Cantisano/Petrilli and CARRIED



Cashless School System Implementation Update Audit Committee

June 21, 2022

Prepared by: Jesua Tsai, Manager – Accounting and Financial Services
Reviewed & Submitted by: Calum McNeil, Chief Financial Officer and Treasurer of the Board
Endorsed by: Domenic Scuglia, Director of Education and Secretary of the Board





Implementation Update - Summary

- List of Phase 2 Schools
- Adoption Rate Leaderboard
- Current Adoption Rate
- Proposed Timeline – Next Phases
- List of Phase 3 Schools
- Lessons Learned



Phase 2 Schools – April/May 2022 Go Live

Elementary Schools (12)

- Corpus Christi
- Fr John Kelly
- Guardian Angels
- Our Lady Help of Christians
- Our Lady of Fatima
- Pope Francis CES
- St Brendan CS
- St Charles Garnier
- St Joseph, Markham
- St Mary
- St Mary of the Angels
- St Peter

Secondary Schools (2)

- St Elizabeth CHS
- St Robert CHS



Adoption Rate Leaderboard



SCHOOL DAY - ADOPTION RATE LEADERBOARD		
1	ST MICHAEL THE ARCHANGEL	98%
2	POPE FRANCIS	81%
3	ST MARY OF THE ANGELS	75%
4	ST CHARLES GARNIER	72%
5	FATHER MICHAEL MCGIVNEY CA	71%
YORK CATHOLIC DISTRICT SCHOOL BOARD		





Current Adoption Rate – June 14th, 2022

School Name	Phase	# of Students	# of Students with Parents	
			Enrolled	% Enrolled
St Michael the Archangel Catholic Elementary School	1	630	617	98%
Father Michael McGivney Catholic Academy	1	1144	810	71%
St Veronica Catholic Elementary School	1	557	326	59%
Father Bressani Catholic High School	1	1254	528	42%
St Jean de Brebeuf Catholic High School	1	1630	485	30%
Our Lady of the Lake Catholic Academy	1	462	115	25%
Pope Francis CES	2	758	615	81%
St Mary Of The Angels	2	702	529	75%
St Charles Garnier	2	470	337	72%
St Joseph (Markham)	2	532	326	61%
St Elizabeth CHS	2	1565	941	60%
Our Lady Help Of Christians	2	331	178	54%
Guardian Angels	2	631	335	53%
Fr John Kelly	2	296	153	52%
St Robert CHS	2	1701	845	50%
St Brendan CS	2	698	256	37%
St Mary	2	603	184	31%
Our Lady Of Fatima	2	481	139	29%
Corpus Christi	2	266	42	16%
St Peter	2	269	27	10%

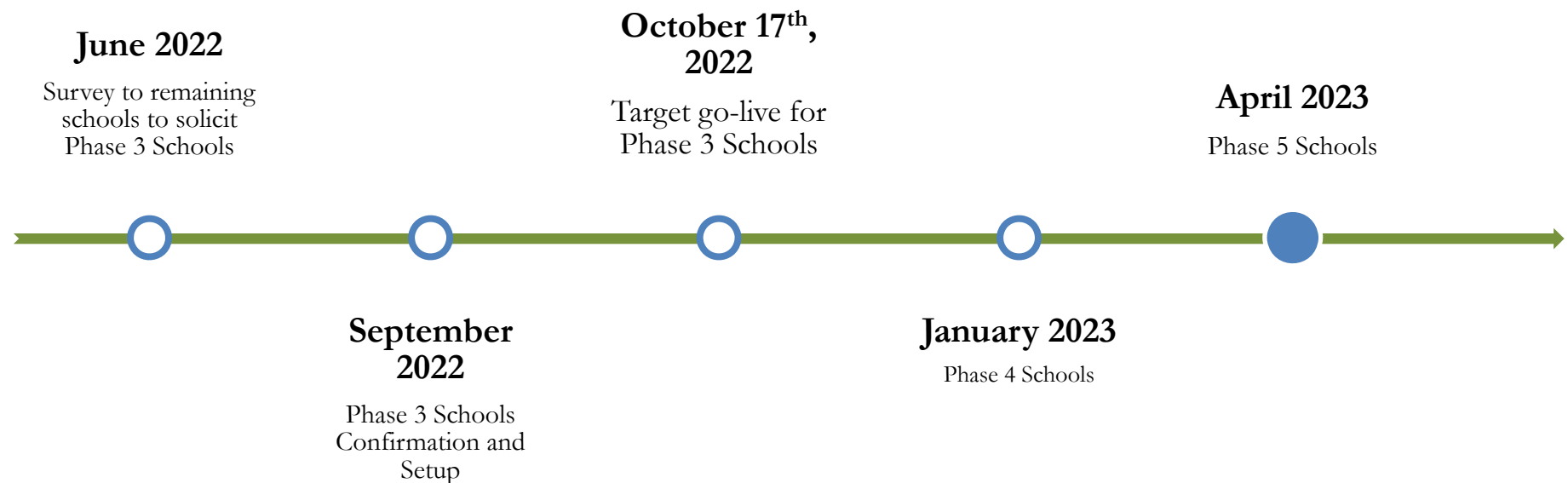
Close to 7,800 students have parents enrolled; over \$750k processed

5



Project Plan – Proposed Next Phases

**Key Date: Elementary Parent/Teacher
Interview – November 2022**



* With a hands-on approach, we will limit each phase to maximum 15 schools; each phase will take at least 2 months with set up, training and implementation



Phase 3 Schools – October 2022 Go Live

2022-2023 School Day Implementation

Stage	School	Trustees
3	FR HENRI NOUWEN	lafrate/Mazzotta
3	HOLY JUBILEE	Cantisano
3	IMMACULATE CONCEPTION	Marchese
3	OUR LADY OF GRACE	Crowe
3	OUR LADY OF HOPE	lafrate/Mazzotta
3	OUR LADY OF THE ROSARY	Wigston
3	ST ANDREW	Giuliani
3	ST CLARE	Marchese
3	ST EMILY	Marchese
3	ST JOHN BOSCO	Marchese
3	ST JOSEPH THE WORKER	Wigston
3	ST THERESA OF CALCUTTA	
3	ST THOMAS AQUINAS	McNicol



School Day Implementation – Lessons Learned

Positive

- School Admin's willingness to adopt the system drives parents' adoption rate
- 1-on-1 training is most effective and built the necessary working relationship
- Data upload from School Day to SAP eliminated the manual error for creating deposits
- Simple to create items and itemized payment history report

Negative

- Added complexity in bank reconciliations since not all transactions captured and changes from current process
- Underestimated IT resources and Finance resources need to support School Day system
- School Day not best platform to support complicated hot lunch offerings

YCDSB Regional Internal Audit Update

The following is the status of engagements that are still outstanding from the York Catholic District School Board's Regional Internal Audit Plans for 2020-21 to 2021-22.

Year	Engagements	Audit Stage					
		Not started	Deferred	Planning	Fieldwork	Reporting	Complete
2020-21	3	2					1
2021-22	2	1	1				

Workflow Assessment – Plant and Finance (2020-21)

- **Status: Not started**
- This engagement was deferred to 2021-22, to accommodate the request for a second phase of school audits in fall 2020. This engagement will be scheduled once the YCDSB Approval Authority Schedule (included in the scope) has been reviewed and updated.

IT Security Audit (2020-21)

- **Status: Not started**
- The RIAT was informed by management that a number of initiatives are currently underway to reduce cybersecurity risk at YCDSB. As these will result in changes to processes and controls, it was determined that completing an audit at this time would not add value. As it is expected that the majority of the initiatives will be implemented by January 2023, the audit will be deferred until February/March 2023.
- These initiatives include:
 - Funding was provided by the Ministry for a solution that will improve the Board and school network architecture for VPN and SD-WAN cloud-based security.
 - Synchronization of Active Directory and Google passwords.
 - Two-factor authentication for critical accounts.
 - As an interim measure, building capacity by developing an internal staff member's cybersecurity expertise.
 - Regular updates to servers.
 - Working with other departments to understand their cybersecurity needs and requirements.
- Given the technical nature of this engagement, it will be outsourced to specialists at a professional services firm.

Disaster Recovery and Business Continuity (2021-22)

- **Status: Not started**
- The timing of this engagement is being discussed with the new Chief Information Officer.

Privacy Audit (2021-22)

- **Status: Deferred to a future year**
- At the April 2022 meeting, the Audit Committee agreed to defer this engagement to a future RIAT plan.

Other RIAT Work

In addition to the engagements included in the audit plan, the RIAT also has the following work planned for 2021-22:

- Follow-up Activities
 - The RIAT has compiled a register to track findings and recommendations from all RIAT reports previously issued to the Board. This register was provided to management to obtain the current status of management's action plans designed to address these findings. Of the ten audits where an update was required, seven updates have been received to date. RIAT will continue to follow up with management to obtain updates for the remaining audits.
 - Follow-up work for 2021-22 and future years will take place on engagements where the action plans have been fully implemented. Based on management updates received, the RIAT has identified two engagements where the follow-up can be undertaken. This work is expected to begin in the summer.
- Risk Assessment and Two-year RIAT Plan (2022-23 & 2023-24)
 - The risk assessment is well underway. The RIAT distributed surveys to various members of the senior administration to understand what the top risks and challenges are for both YCDSB as a whole and the respondent's area(s) of responsibility, as well as to identify potential areas for improvement. These surveys are currently being followed up with further discussion.
 - The results of the risk assessment will be used as the primary input in developing the RIAT plan. Other considerations will include value added engagements conducted by the RIAT at other boards in the region and previous RIAT coverage.

York Catholic District School Board

REPORT

Report To: Audit Committee
From: Administration
Date: June 21, 2022
Subject: August 31, 2022 Year End - Proposed Schedule for Activities and Meetings

EXECUTIVE SUMMARY:

This report provides information on the proposed schedule for August 31, 2022 year-end audit activities and meeting requirements.

BACKGROUND INFORMATION:

On an annual basis, the Board is required to file Audited Financial Statements for the period September 1 to August 31 with the Ministry. To meet this requirement, the following dates are being proposed to review and approve the Board's financial position and Audited Financial Statements for the period ended August 31, 2022.

PROPOSED DATES

The finance team has worked with Grant Thornton in late May to review the time lines and audit visits. A ministry session is normally scheduled in the fall to confirm deliverables and dates.

Activity	Proposed Dates 2021-22 Year-End	Actual Dates 2020-21 Year-End
PLANNING AND INTERIM AUDIT ACTIVITIES		
Planning coordination with Grant Thornton	Week of May 23	Week of May 24
Grant Thornton - Planning Audit	Week of July 4	Week of July 5
Grant Thornton - Interim Audit	Week of August 29	Week of August 30
Information Systems - Control testing	Week of June 13	Week of June 14
OYAP Audit	TBD	Week of August 30
School Audits (Includes School Generated Funds & Enrolment Audits)	School Visits - St. Augustine CHS (TBD), Good Shepherd CES (TBD)	School Visits - St Elizabeth CHS, Sir Richard W. Scott CES

Activity	Proposed Dates 2021-22 Year-End	Actual Dates 2020-21 Year-End
YEAR END AUDIT ACTIVITIES		
Audit Committee - External Auditors (Grant Thornton) Year-End Plan	September 27	September 28
Year-End Activities - Finance	September 1 - November 15th	September 1 - November 15th
Grant Thornton - Year End Audit (On-site)	October 3rd - 21st (3 Weeks)	October 4th - 22nd (3 Weeks)
Audit Close Meeting with Grant Thornton and Management	October 28 (Tentative)	October 29
Audit Committee – Approval of Financial Statements	November 8th	November 9th
Special Board Meeting - Approval of Financial Statements	November 8th	November 9th
Ministry Deadline – EFIS / Local Priorities	November 15th	November 15th
Ministry Deadline – Financial Statements	November 15th	November 15th

Due to the timing of board meetings, the ministry is cognizant that the published financial statements, notes to the financial statements and auditor's report may not be finalized at November 15th. If this is the case, these three documents may be submitted after November 15th, but no later than November 30th.

Prepared by:
Reviewed & Submitted by:
Endorsed by:

Jesua Tsai, Manager- Accounting and Financial Services
Calum McNeil, Chief Finance Officer and Treasurer of the Board
Domenic Scuglia, Director of Education and Secretary of the Board